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January 26, 2007

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Sligo Formation, Reservoir A, BEAR CREEK
FIELD, Bienville Parish, Louisiana.

Dear Sir:

EL PASO E&P COMPANY, L.P. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Sligo Formation, Reservoir A, in the Bear Creek Field, Bienville Parish, Louisiana:

1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Sligo Formation, Reservoir A, such unit being shown on the attached plat and being designated SLI RA SUH.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed additional unit in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
3. To approve the drilling of a horizontal well as the unit well for the proposed additional unit as shown on the attached plat, and to approve an exception to the spacing provisions of Office of Conservation Order No. 78-X, effective December 1, 1979, for all productive portions of the wellbore of such well located at least 330 feet from a unit boundary.
4. To designate an Operator of the proposed additional unit as may be appropriate.
5. To provide that the gas allowable provisions of Statewide Order No. 29-F, LAC 43:XIX.2101 et seq., should not apply to horizontal wells drilled to the Sligo Formation, Reservoir A, but that all such wells should be given an allowable based on the maximum efficient rate (MER)

of the well, being the maximum sustainable daily withdrawal rate from the reservoir which will permit economical development and reservoir depletion without causing waste.

6. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 78-X, effective December 1, 1979, as amended and supplemented by the Order No. 78-X series of Orders, to the proposed additional unit.

7. To discuss such other matters as may be pertinent.

The Sligo Formation, Reservoir A, in the Bear Creek Field, Bienville Parish, Louisiana, is defined in Office of Conservation Order No. 78-X, effective December 1, 1979.

Any pertinent data concerning this application will be available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect any such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Mr. Gilbert at the expense of the requesting party.

By letter dated January 15, 2007, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set February 8, 2007, as the tentative date for the pre-application conference. No request for the conference was received within ten (10) days of the date of such notice; therefore, no pre-application conference will be held.

Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of the unit plat (which is identical to the plat attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of the attached plat is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

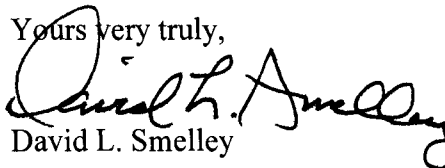
Applicant will provide for posting of a copy of the Legal Notice of this hearing, and the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Bear Creek Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all

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Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,



David L. Smelley

-- Attorney for El Paso E&P Company, L.P.

DLS:dp
Enclosures

cc: Mr. Jim Broussard (w/encl.)
Ms. Sheridan Jones (w/encl.)
Mr. Louis Gilbert (w/encl.)
Interested Owners, Represented Parties
and Interested Parties (w/plat only)

